

## Message Text

CONFIDENTIAL

PAGE 01 COPENH 04909 01 OF 05 301607Z  
ACTION SS-15

INFO OCT-01 EUR-12 ISO-00 /028 W  
-----301614Z 033586 /43

R 301445Z DEC 76  
FM AMEMBASSY COPENHAGEN  
TO SECSTATE WASHDC 3774  
INFO AMEMBASSY ANKARA  
AMEMBASSY ATHENS  
AMEMBASSY BONN  
AMEMBASSY BRUSSELS 2657  
USMISSION EC BRUSSELS  
AMEMBASSY LISBON  
AMEMBASSY DUBLIN  
AMEMBASSY LONDON  
AMEMBASSY LUXEMBOURG  
AMEMBASSY OSLO  
AMEMBASSY OTTAWA  
AMEMBASSY PARIS  
USMISSION OECD PARIS

AMEMBASSY REYKJAVIK  
AMEMBASSY ROME  
AMEMBASSY THE HAGUE  
USMISSION NATO  
AMEMBASSY STOCKHOLM

C O N F I D E N T I A L SECTION 1 OF 5 COPENHAGEN 4909

FOR S/CL

E.O.: 11652: GDS  
TAGS: PINT, PFOR, DA.,; US  
SUBJ: DARKNESS IN DENMARK

INTRODUCTION

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 COPENH 04909 01 OF 05 301607Z

1. THIS IS THE FIRST COMPREHENSIVE EXAMINATION OF THE DANISH  
DOMESTIC SCENE WE HAVE PUT TOGETHER IN SOME TIME. I BELIEVE THAT  
SUCH AN EXAMINATION IS WARRANTED NOW FOR A NUMBER OF REASONS.  
THESE INCLUDE BOTH THE PROSPECT OF A NEW YEAR AND A NEW ADMINIS-  
TRATION IN WASHINGTON. FURTHERMORE, IT IS IMPORTANT TO UNDER-  
STAND THE DYNAMICS INVOLVED AS THE DANES FACE A PARTICULARLY

DIFFICULT PERIOD AHEAD.

2. THE IMAGE THAT DENMARK ORDINARILY PROJECTS IS ONE OF HAPPY, GOOD LOOKING PEOPLE, PEACEFUL, SELF-CONTENT AND ORDERLY. ALL OF THIS IS STILL MUCH THE CASE. BOTH THE QUEEN AND THE PRIME MINISTER, FOR EXAMPLE, WALK FREELY AROUND COPENHAGEN WITHOUT ANYONE GIVING THEM MUCH THOUGHT.

3. BUT THE EDGES ARE FRAYING. THE PRESENT MESSAGE LOOKS AT THE PAINFUL EXPERIENCE OF A TRADITIONALLY AFFLUENT, HOMOGENEOUS SOCIETY ATTEMPTING TO COME TO POLITICAL GRIPS WITH SERIOUS ECONOMIC PROBLEMS.

4. WHAT CAN WE DO TO HELP OUR GOOD FRIENDS, THE DANES? PROBABLY VERY LITTLE IN THE SHORT RUN. DANISH LEADERS DO HOLD FAST, THOUGH, TO THE EXPECTED EVENTUAL EFFECT HERE OF A REINVIGORATED AMERICAN ECONOMY.

5# OVER THE NEXT FEW MONTHS, WE MUST BE PATIENT WITH THE DANES AS THERE WILL BE EVEN MORE THAN USUALLY PREOCCUPIED DOMESTICALLY. NO IMPORTANT CHANGES ARE ANTICIPATED IN DANISH FOREIGN OR SECUR-

ITY POLICY ALTHOUGH WHAT APPEARS TO BE GROWING POLITICAL POLARIZATION -- IF EXTENDED -- DOES NOT BODE WELL FOR US INTERESTS AND WE MUST BE PREPARED FOR MINOR CUTS OVER THE NEXT COUPLE OF YEARS IN DEFENSE SPENDING. WE WILL ALSO HAVE PROBLEMS IN GETTING THE DANES TO ACT ON THE NATO AEW SYSTEM.

7. RARELY LEADERS ON THE INTERNATIONAL SCENE, THE DANES WILL BE ABLE TO FOCUS EVEN LESS THAN USUAL ON EVENTS BEYOND THEIR BORDERS. CONFIDENTIAL

CONFIDENTIAL

PAGE 03 COPENH 04909 01 OF 05 301607Z

THEY WILL BE RELAXED THROUGHOUT THE BRITISH PRESIDENCY OF THE EC AND MAY EVEN BE ABLE TO OFFER UP THE REMOVAL OF DANISH RESERVATIONS ON DIRECT ELECTIONS TO THE STRASBOURG PARLIAMENT. AT THE SAME TIME, THEY WILL PROBABLY INCREASE THEIR RHETORIC OVER CLOSER NORDIC COOPERATION.

THEY WILL BE REGARDING THE NEW ADMINISTRATION IN THE U.S. WITH UNCERTAINTY - ALTHOUGH ENCOURAGED BY WHAT THEY BELIEVE WILL BE A GROUP OF LEADERS MORE SYMPATHETIC TO THEIR SCANDINAVIAN VALUES. BUT LITTLE OF THE HEART AND THE MIND OF THE DANES WILL BE IN ANY OF THESE MATTERS. END OF INTRODUCTION.

SUMMARY

7. ALTHOUGH THE CHRISTMAS HOLIDAYS BLAZE IN THE DARK NORTHERN SKY WITH THEIR TRADITIONAL GAIETY, THE DANES ARE INCREASINGLY DISTURBED OVER THEIR FUTURE. THE WILDCAT STRIKES OF LATE NOVEMBER -- AND THE GOVERNMENT'S HESITATION IN DEALING WITH THEM -- SENT OUT A TRAUMA THROUGH AN ALREADY TROUBLED SOCIETY.

8. THESE STRIKES WERE THE RESULT F WORKERS' ATTEMPTS TO BETTER  
THEIR WAGES BEFORE A TWO-PERCENT LIMITATION ON FURTHER INCREASES  
COMES INTO EFFECT MARCH 1. NOT UNIQUELY IN THE DEVELOPED WORLD,  
DENMARK IS FACING CONTINUED HIGH UNEMPLOYMENT -- PROBABLY ITS  
GREATEST PROBLEM -- AND SEVERE BALANCE OF PAYMENTS DEFICITS WHILE  
ALSO TRYING TO KEEP INFLATION AT REASONABLE LEVELS. THE GOVERN-  
MENT BELIEVES THAT IN ORDER TO RAISE INTERNATIONAL COMPETITIVE-  
NESS, DANISH WAGES MUST BE KEPT DOWN. WHETHER THE GOVERNMENT CAN  
DO THIS WITHOUT A SERIOUS CONFRONTATION WITH LABOR AND WIDESPREAD  
STRIKES WILL BE DEMNSTRATED OVER THE NEXT FEW MONTHS. ELECTIONS

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 COPENH 04909 02 OF 05 301639Z  
ACTION SS-15

INFO OCT-01 EUR-12 ISO-00 /028 W  
-----301641Z 033874 /43

R 301445Z DEC 76  
FM AMEMBASSY COPENHAGEN  
TO SECSTATE WASHDC 3775  
INFO AMEMBASSY ANKARA  
AMEMBASSY ATHENS  
AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
USMISSION EC BRUSSELS  
AMEMBASSY LISBON  
AMEMBASSY DUBLIN  
AMEMBASSY LONDON  
AMEMBASSY LUXEMBOURG  
AMEMBASSY OSLO  
AMEMBASSY OTTAWA  
AMEMBASSY PARIS  
USMISSION OECD PARIS  
AMEMBASSY REYKJAVIK  
AMEMBASSY ROME  
AMEMBASSY THE HAGUE  
USMISSION NATO  
AMEMBASSY STOCKHOLM

C O N F I D E N T I A L SECTION 2 OF 5 COPENHAGEN 4909

ARE A REAL POSSIBILITY WITH THE PARTIES ON THE EXTREMES THE PRO-  
BABLE GREATEST BENEFICIARIES.

9. MEANWHILE, THE FRACTIOUS POLITICAL SCENE CONTINUES TO FLY OFF IN ALL DIRECTIONS AS THE PARTIES FLAIL ABOUT TRYING TO COPE WITH THE ECONOMIC PROBLEMS. THE MINORITY SOCIAL DEMOCRATS RULE, WITH ONLY A ONE-VOTE MARGIN ON A NUMBER OF IMPORTANT ISSUES, NOT THROUGH A COALITION BUT BY A SERIES OF FORMAL ECONOMIC "COMPROMISES" WITH SEVERAL OF THE 10 OTHER PARTIES IN THE FOLKETING. AND AS IF  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 COPENH 04909 02 OF 05 301639Z

THERE WERE NOT ALREADY ENOUGH, THREE NEW PARTIES HAVE APPEARED ON THE SCENE OVER THE LAST FEW MONTHS. AT THE SAME TIME, MOST OF THE OLDER PARTIES ARE RENT BY INTERNAL SQUABBLING.

10. MANY DANES REGARD THE GROWTH OF MOGENS GLISTRUP'S PROGRESSIVES, ON THE RIGHT, AND WHAT IS HOPEFULLY ONLY A TEMPORARY SURGE OF THE FAR LEFT AS EVIDENTIAL CONFIRMATION OF THE POLITICAL POLARIZATION OF THIS HITHERTO TIGHT LITTLE SOCIETY. MANY SUSPECT THAT THE DOMESTIC CONDITIONS WHICH SPAWN POLARIZATION AND FRACTIOUSNESS CAN BE REMEDIED ONLY BY WRENCHING CHANGES IN A HABITUALLY AFFLUENT LIFESTYLE.

11. AS THE DANES GO THROUGH THEIR MOST DIFFICULT PERIOD SINCE WORLD WAR II, BASIC ASSUMPTIONS HAVE COME UNDER SCRUTINY ... BUT BY VARIOUS INTEREST GROUPS THAT APPEAR TO BE TALKING PAST EACH OTHER. IN THE PAST, THE DANES HAVE DISPLAYED ENORMOUS CREATIVITY IN MAKING MUCH FOR THEMSELVES OUT OF LITTLE MORE THAN THEIR OWN INGENUITY. IN SPITE OF THEIR PRESENT GLOOM, IT IS CONSEQUENTLY DIFFICULT TO IMAGINE THAT THEY WILL NOT FIND AN ACCEPTABLE WAY TO SURPASS THEIR PRESENT SERIOUS PROBLEMS. END SUMMARY.

12. IN DENMARK IN DECEMBER THE LIGHT WANES BY TWO IN THE AFTERNOON AND BY FOUR THERE IS COMPLETE DARKNESS. THIS COUNTRY'S DEPRESSING, RAINY WINTERS ARE CITED BY THE DANES TO EXPLAIN THEIR PREEMINENT POSITION IN THE TOURIST AIR CHARTER INDUSTRY; ABOUT 15 PERCENT OF THE COUNTRY'S ADULT POPULATION TRAVELS ABROAD THIS WAY EACH YEAR - USUALLY SOUTHWARD IN SEARCH OF THE SUN.

13 BUT THE HOLIDAY SEASON ALSO IS THE TIME WHEN THE DANES BEST DISPLAY THEIR REMARKABLE TALENT FOR MAKING THINGS CHARMING AND GRACEFUL: THE LATEST BALLET AT THE ROYAL THEATER, THE LUMINOUS SHOP WINDOWS ALONG COPENHAGEN'S FAMOUS "WALKING STREET" AND THEIR OWN HOMES DECORATED WITH FLICKERING CHRISTMAS CANDLES.

14. THIS YEAR, THE DANES NEED ALL THE JOY THEIR TRADITIONS CAN PROVIDE. UNDERNEATH THEIR HOLIDAY GAIETY, THEY HARBOR A DEEPEN-  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 COPENH 04909 02 OF 05 301639Z

ING FEELING OF FRUSTRATION AND UNCERTAINTY AND MANY WONDER WHETHER DEVELOPMENTS IN THE U.K. - WHICH THE DANES REGARD WITH DISMAY - PORTEND THE FUTURE HERE. THIS FEELING WAS DRAMATIZED BY A SERIES OF WILDCAT STRIKES, ONE OF WHICH THREATENED TO PARALYZE THE SOCIETY. THE GOVERNMENT DEALT WITH THEM ONLY AFTER HESITATION AND PROLONGED NEGOTIATIONS TO FORGE A MAJORITY IN A PARLIAMENT OF ELEVEN PARTIES.

15. ECONOMICALLY AND POLITICALLY, THE GOVERNMENT'S GREATEST PROBLEM TODAY IS UNEMPLOYMENT. NOW AT THE UNACCUSTOMED LEVEL OF 6 PERCENT, UNEMPLOYMENT ERODES THE SOCIAL DEMOCRATS' STANDING WITH LABOR, THEIR MAJORITY CONSTITUENT, AND IS BEING USED, JUSTLY OR NOT, BY OPPONENTS TO DEMONSTRATE THE BANKRUPTCY OF GOVERNMENT POLICIES.

16. TO ACHIEVE ANY REAL HEADWAY IN THE EMPLOYMENT AREA, THE GOVERNMENT HAS TO MITIGATE BALANCE OF PAYMENTS PRESSURES. SO LONG AS THESE PRESSURES PERSIST AT CURRENT MANGITUDES, THE GOVERNMENT IS LIMITED IN THE STIMULATIVE MEASURES IT CAN TAKE.

17 IN THE PRESENT SITUATION THE GOVERNMENT CANNOT, AS IN THE PAST, RELY ON WORLD GROWTH TO KEEP ITS BALANCE OF PAYMENTS PROBLEMS WITHIN TOLERABLE LIMITS. IT THEREFORE SEES A NEED FOR DOMESTIC POLICIES TO ASSIST THE EXPORT SECTOR. IT REASONS THAT A MORE AX-TIVE EXPORT ECTOR WILL PROVIDE MORE JOBS AND MORE FOREIGN EXCHANGE AND SERV GENERALLY AS A MOTOR FOR GROWTH FOR THE WHOLE

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 COPENH 04909 03 OF 05 301648Z  
ACTION SS-15

INFO OCT-01 EUR-12 ISO-00 /028 W  
-----301651Z 033948 /41

R 301445Z DEC 76  
FM AMEMBASSY COPENHAGEN  
TO SECSTATE WASHDC 3776  
INFO AMEMBASSY ANKARA  
AMEMBASSY ATHENS  
AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
USMISSION EC BRUSSELS  
AMEMBASSY LISBON  
AMEMBASSY DUBLIN  
AMEMBASSY LONDON  
AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO  
AMEMBASSY OTTAWA  
AMEMBASSY PARIS  
USMISSION OECD PARIS  
AMEMBASSY REYKJAVIK  
AMEMBASSY ROME  
AMEMBASSY THE HAGUE  
USMISSION NATO  
AMEMBASSY STOCKHOLM

C O N F I D E N T I A L SECTION 3 OF 5 COPENHAGEN 4909

ECONOMY.

18. A HEALTHIER EXPORT SECTOR IS DEPENDENT ON GREATER DANISH COMPETITIVENESS ON WORLD MARKETS, AND TO A LARGE EXTENT THIS COMPETITIVENESS IS A FUNCTION OF DANISH WAGE LEVELS WHICH INCREASED 19 PERCENT IN 1975 AND 11.5 PERCENT IN 1976. ANOTHER FACTOR WHICH LIMITS DANISH COMPETITIVENESS IS THE OVERVALUED KRONER WHICH OBSTINATELY STICKS NEAR THE TOP OF THE SNAKE IN SPITE OF THE READJUSTMENT LAST OCTOBER. THE HEART OF THE GOVERNMENT'S CURRENT CONFIDENTIAL

CONFIDENTIAL

PAGE 02 COPENH 04909 03 OF 05 301648Z

ECONOMIC POLICIES, THEREFORE, IS AN ATTEMPT TO RESTRAIN WAGES. THIS IS THE MAJOR PURPOSE OF THE SO-CALLED SEPTEMBER, AUGUST, AND DECEMBER COMPROMISES OF 1975 AND 1976.

19. THE FATE OF THE GOVERNMENT IN ATTEMPTING TO DEAL WITH THESE PROBLEMS WILL BE DETERMINED DURING THE NEXT TWO AND A HALF MONTHS. WHAT MUST BE OBTAINED ARE LABOR PEACE AND WAGE RESTRAINT. THIS WOULD OFFER THE HOPE THAT BALANCE OF PAYMENTS PROBLEMS WILL GRADUALLY RECEDE, WITH AN IMPROVEMENT IN EMPLOYMENT FOLLOWING ALONG, THOUGH EVEN MORE SLOWLY.

20. IT SHOULD BE STRESSED, HOWEVER, THAT EVEN A SUCCESSFUL OUTCOME OF THE BIENNIAL LABOR CONTRACT NEGOTIATIONS NOW IN PROGRESS BY NO MEANS DEFUSES THE ECONOMY AS A POLITICAL ISSUE. SUCH FACTORS AS THE SLOWNESS OF THE GOVERNMENT'S POLICY TO PRODUCE RESULTS AND THE SACRIFICES IN THE WAGE AREA IT IMPOSES ON LABOR COULD PRODUCE STRONG IMPATIENCE AND DISSATISFACTION. SUCH DISSATISFACTION WOULD FUEL THAT FELT BY ALMOST ALL ELEMENTS OF A SOCIETY THAT PRESENTLY PAYS MORE TAXES THAN ANY OTHER IN THE WORLD.

21. AS THE ECONOMIC-LABOR FRONT HAS BEEN INCREASINGLY PREOCCUPYING, SO HAS THE SITUATION ON DENMARK'S ALREADY FRACTIOUS POLITICAL SCENE. THE JANUARY 1975 ELECTIONS RETURNED 10 PARTIES TO THE 179-SEAT FOLKETING. SINCE THAT TIME, ONE PROGRESS PARTY PARLIAMENTARIAN HAS DISSOCIATED HIMSELF FROM HIS PARTY AND SITS AS AN INDEPENDENT. MORE RECENTLY, A CONSERVATIVE MP BROKE WITH HIS COLLEAGUES TO REGISTER HIS OWN PARTY, THE MODERATES, AND NOW IS

ITS SOLE REPRESENTATIVE IN THE FOLKETING. YET TWO MORE PARTIES HAVE ALSO RECENTLY EMERGED, THE COMMUNIST WORKERS PARTY AND THE PENSIONERS PARTY, NEITHER OF WHICH IS PRESENTLY REPRESENTED IN THE FOLKETING.

22. AT THE SAME TIME, MANY OF THE EXISTING PARTIES HAVE BEEN WRACKED BY INTERNAL DISPUTES. THE SOCIAL DEMOCRATS REMAIN DIVIDED INTO THREE CAMPS. MOST OF THE MINISTERS CAME FROM THE CENTER AND RIGHT WINGS BUT -- AS SHOWN FOR EXAMPLE, IN THE PROTRACTED CONFIDENTIAL

CONFIDENTIAL

PAGE 03 COPENH 04909 03 OF 05 301648Z

DEFENSE AGREEMENT NEGOTIATIONS -- THEY MUST SHARPLY TEMPER THEIR OWN INSTINCTS IN ORDER TO ACCOMMODATE THEIR LEFT WING. THERE ARE ALSO INDICATIONS THAT THE PARTY LEADERSHIP IS DISTANT FROM THE RANK AND FILE, AND THE IDEOLOGICAL MOMENTUM OF THE PARTY IS RETARDED BY THE ECONOMIC RESTRICTIONS IMPOSED ON FURTHER EXPANSION OF THE WELFARE STATE.

23. THE SOCIALIST PEOPLE'S PARTY ALMOST TORE ITSELF IN TWO IN OCTOBER OVER THE ISSUE OF WHETHER THE PARTY SHOULD MOVE ITSELF FARTHER TO THE LEFT AND WORK ACTIVELY WITH THE DANISH COMMUNIST PARTY AND THE LEFT SOCIALISTS, OR TO THE RIGHT TO GIVE MORE ACTIVE SUPPORT TO THE RULING SOCIAL DEMOCRATS.

24. THE RADICALS HAVE MOVED AWAY FROM THE FORMAL AND WORKING ALLIANCES BEGUN WITH THE LIBERAL-CONSERVATIVE-RADICAL (VKR) GOVERNMENT OF 1968-71 AND ARE RETURNING TO CLOSER COOPERATION WITH THE SOCIAL DEMOCRATS. AGAIN, THE PARTY ALMOST SPLIT DURING PARLIAMENTARY DEBATE ON THE LEGISLATIVE MEASURES NEEDED TO CURTAIL THE RECENT WILDCAT STRIKES AND SQUABBLES CONTINUE OVER THE PARTY LEADERSHIP.

25. THE CONSERVATIVES REMAIN STUCK IN THEIR INABILITY TO WIDEN THEIR APPEAL, PARTICULARLY AMONG DANISH YOUTH, AND ARE STILL DIVIDED BY PERSONALITY CONFLICTS AND DISPUTES OVER WHAT "CONSERVATISM" SHOULD MEAN IN TODAY'S WORLD.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 COPENH 04909 04 OF 05 301640Z  
ACTION SS-15

INFO OCT-01 EUR-12 ISO-00 /028 W

-----301643Z 033877 /43

R 301445Z DEC 76

FM AMEMBASSY COPENHAGEN

TO SECSTATE WASHDC 3777

INFO AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISS ON EC BRUSSELS

AMEMBASSY LISBON

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

USMISSION OECD PARIS

AMEMBASSY REYKJAVIK

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION NATO

AMEMBASSY STOCKHOLM

C O N F I D E N T I A L SECTION 4 OF 5 COPENHAGEN 4909

26. MOGENS GLISTRUP'S IRRESPONSIBLE PROGRESSIVES REMAIN AN AN-  
ATHEMA TO THE OTHER FOLKETING PARTIES. GLISTRUP HIMSELF IS PRE-  
OCCUPIED WITH HIS INTERMINABLE DEFENSE OF TAX FRAUD CHARGES WHICH  
HAVE BEEN UNWINDING IN THE DANISH COURTS FOR MORE THAN TWO YEARS.  
HIS SUPPORTERS HAVE REALLY IN COMMON ONLY THEIR ADVERSION TO TAXES  
AND GOVERNMENT BUREAUCRACY AND REMAIN MORE OF A MOVEMENT THAN A  
CLASSICAL POLITICAL PARTY. BUT THIS MOVEMENT CONTINUES TO MAR-  
SHALL THE SECOND LARGEST SUPPORT - AFTER THAT OF THE SOCIAL DEMO-  
CRATS - IN PUBLIC OPINION POLLS AND WOULD BE THE PROBABLE MAJOR  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 COPENH 04909 04 OF 05 301640Z

BENEFICIARY IN A NEW ELECTION. IF THE PROGRESSIVES DO IN FACT  
RECEIVE THE 20 PERCENT OF THE VOTE SHOWN BY THE POLLS, THE OTHER  
PARTIES WOULD FIND IT EXTREMELY DIFFICULT TO CONTINUE TO FREEZE  
THEM OUT.

27. OVER THE LAST YEAR THERE HAS BEEN A SHARP DROP IN PUBLIC SUP-  
PORT FOR FORMER PRIME MINISTER POUL HARTLING'S LIBERALS. ACCORD-  
ING TO OPINION POLLS, THEY HAVE FALLEN OFF FROM MORE THAN 23  
PERCENT OF THE VOTE AT THE TIME OF THE JANUARY 1975 ELECTIONS TO  
17 PERCENT TODAY. THIS IS DUE TO A CONSTELLATION OF FACTORS - SOME  
HISTORIC - WHICH INCLUDE LACK OF PANACHE AND DEFECTIONS AT THE  
FRINGES TO BOTH THE SOCIAL DEMOCRATS AND THE PROGRESSIVES. PART  
IS DUE TO THE PERPLEXINGLY-MUTED BEHAVIOR OF HARTLING HIMSELF,



PART IS ATTRIBUTABLE TO THE PARTY'S REFUSAL TO COOPERATE MORE ACTIVELY WITH THE GOVERNMENT ON ECONOMIC ISSUES. IN THIS LATTER REGARD, THE LIBERALS SINCERELY DOUBT THE EFFICIENCY OF THE MEASURES BEING TAKEN. BUT HARTLING ALSO BELIEVES THAT AS THE ONLY POSSIBLE ALTERNATIVE TO THE PRESENT SOCIAL DEMOCRATIC GOVERNMENT THE LIBERALS MUST REMAIN UNSULLIED BY DIRECT ASSOCIATION WITH PRESENT POLICIES.

28. THERE IS ALSO EVIDENCE THAT AN INCREASING NUMBER OF DANISH VOTERS HOLD AN ATTITUDE OF "A PLAUGE ON ALL YOUR HOUSES" VIS A VIS THE ESTABLISHED POLITICAL PARTIES. OVER THE LAST 10 YEARS MEMBERSHIP IN ALL PARTIES HAS BEEN HALVED. THIS VOTER DISENCHANTMENT ALSO FUELS THE LARGELY INCHOATE PROTEST MOVEMENTS REPRESENTED BY GLISTRUP'S PROGRESSIVES AND THE PENSIONERS ON THE RIGHT AND THE NEW, LARGELY EXTRAPARLIAMENTARY MOVEMENTS ON THE EXTREME LEFT.

29. THESE PHENOMENA HAVE CAUSED MANY THOUGHTFUL DANES TO CONCLUDE THAT POLARIZATION IS OCCURRING IN THE DANISH BODY POLITIC. THEY WERE, CONSEQUENTLY, NOT SURPRISED BY THE RESULTS OF A RECENT GALLUP POLL (ALTHOUGH POSSIBLY AN ABERRATION) SHOWING THAT THE DANISH COMMUNIST PARTY HAD DOUBLED ITS SUPPORT (FROM FOUR TO EIGHT PERCENT OF THE ELECTORATE) SINCE THE 1975 3)3:589. . THE  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 COPENH 04909 04 OF 05 301640Z

SAME POLL SHOWED THAT THE THREE PARLIAMENTARY PARTIES OF THE FAR LEFT REPRESENTED 16 PERCENT OF THE DANISH VOTERS - AN ALL-TIME HIGH FOR PARTIES TO THE LEFT OF THE SOCIAL DEMOCRATS.

30. IN THIS ATMOSPHERE, THE QUESTIONS MOST OFTEN HEARD TODAY ARE VARIATIONS ON THE THEME OF WHETHER THE DANES ARE WILLING TO MAKE THE KINDS OF SACRIFICES THAT WILL BE REQUIRED TO PUT THEIR TIGHT LITTLE SOCIETY BACK ON THE PROPER ECONOMIC AND POLITICAL TRACKS. WILL THEY BE WILLING TO WORK LONGER HOURS FOR LESS - OR AT LEAST NO MORE - PAY, WITH FEWER BREAKS FOR BEER? WILL THE DANISH ENTREPRENEUR BE WILLING TO TRIM HIS PROFIT MARGIN IN ORDER TO IMPROVE HIS COMPETITIVENESS ABROAD? WHAT KIND OF DEGRADATION WILL THE AVERAGE DANE TOLERATE IN A LIFESTYLE WHICH OFTEN INCLUDES A VACATION HOUSE AS WELL AS A SAILBOAT?

31. AT THE CORE OF THE PRESUMPTIONS ON WHICH THE DANES HAVE BUILT THEIR SOCIETY, THE QUESTION MUST BE ASKED ABOUT WHAT SOCIAL BENEFITS THE DANES ARE WILLING TO GIVE UP IN ORDER TO LOWER BOTH GOVERNMENT EXPENSES AND TAX RATES? ONE INDICATION WAS A SEPTEMBER 30 GALLUP POLL WHICH SHOWED THAT THREE OUT OF FOUR BELIEVED THAT THE AUGUST COMPROMISE WAS NOT TOUGH ENOUGH TO SOLVE THE COUNTRY'S ECONOMIC PROBLEMS AND THAT IT WON'T HELP UNEMPLOYMENT. EVEN MORE SURPRISINGLY, 56 PERCENT OF THOSE INTERVIEWED WHO WERE MEMBERS OF LABOR UNIONS SAID THAT THEY WERE PREPARED TO ACCEPT THE BARE 2 PERCENT ANNUAL WAGE INCREASE THAT THE AUGUST COMPROMISE WOULD

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 COPENH 04909 05 OF 05 301616Z  
ACTION SS-15

INFO OCT-01 EUR-12 ISO-00 /028 W  
-----301618Z 033678 /43

R 301445Z DEC 76  
FM AMEMBASSY COPENHAGEN  
TO SECSTATE WASHDC 3779  
INFO AMEMBASSY ANKARA  
AMEMBASSY ATHENS  
AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
USMISSION EC BRUSSELS  
AMEMBASSY LISBON  
AMEMBASSY DUBLIN  
AMEMBASSY LONDON  
AMEMBASSY LUXEMBOURG  
AMEMBASSY OSLO  
AMEMBASSY OTTAWA  
AMEMBASSY PARIS  
USMISSION OECD PARIS  
AMEMBASSY REYKJAVIK  
AMEMBASSY ROME  
AMEMBASSY THE HAGUE  
USMISSION NATO  
AMEMBASSY STOCKHOLM

C O N F I D E N T I A L SECTION 5 OF 5 COPENHAGEN 4909

ALLOW.

32. BUT THESE STATISTICS MAY NOT IN REALITY OFFER THE PROMISE THAT  
THEY APPEAR TO HOLD OUT. IT IS ONE THING TO TELL A POLLSTER OF  
WILLINGNESS TO ACCEPT CUTBACKS IN SOCIAL SERVICES IN GENERAL. IT  
IS ANOTHER THING TO ACCEPT A CUT THAT HITS HOME. ON THE OTHER HAND,  
TO THE EXTENT THESE FIGURES REFLECT REALITY, THEY SUGGEST THAT THE  
LEADERS OF THE DANISH TRADE UNION FEDERATION (LO) MAY BE OUT OF  
TOUCH WITH THEIR OWN RANK AND FILE, EXAGERRATING THE THREAT OF  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 COPENH 04909 05 OF 05 301616Z

THE EXTREME LEFT IN THE TRADE UNION MOVEMENT.

33. PROBABLY THE LO AND THE EMPLOYERS ASSOCIATION WILL FAIL TO AGREE WHEN NATIONAL LABOR CONTRACTS EXPIRE. NO AGREEMENT COULD WELL MEAN WIDESPREAD STRIKES, A LEGISLATED SETTLEMENT AND PERHAPS ELECTIONS. IF PRESENT TRENDS ARE EXTENDED, ELECTIONS WOULD PRINCIPALLY BENEFIT THE EXTREMES OF THE POLITICAL SPECTRUM AT THE EXPENSE OF THE CENTER. SUCH A POLARIZATION WOULD FACE THE DANES WITH A SERIOUS BREACH IN THEIR SOCIAL CONTRACT.

34. IN ADDITION TO PROBABLE GAINS ON THE EXTREMES, THE POLLS ALSO INDICATE THAT THE SOCIAL DEMOCRATS WOULD PICK UP A FEW MORE SEATS. BUT NO PARTY ALONE -- OR, WITHOUT THE LIBERALS, EVEN ANY IMAGINABLE FORMAL COALITION OF SEVERAL PARTIES -- WOULD BE STRONG ENOUGH TO FORM A MAJORITY GOVERNMENT. IN SPITE OF THIS, SOCIAL DEMOCRATIC LEADERS ARE SERIOUSLY CONSIDERING AN ELECTION CALL FOR FEBRUARY. THEIR REASONING IS THAT THEY WOULD ALSO CERTAINLY BE RETURNED TO GOVERNMENT WITH A RENEWED MANDATE TO TAKE THE DIFFICULT STEPS REQUIRED IN THE PRESENT SITUATION. SUCH A TACTIC, THEY BELIEVE, WOULD AVOID THE POLITICAL FALL OUT AND CRITICISM FROM OTHER PARTIES AFTER REPEAT AFTER TOUGH MEASURES ARE TAKEN - CRITICISM WHICH COULD CULMINATE IN LATER ELECTIONS DISADVANTAGEOUS TO THE SOCIAL DEMOCRATS.

35. OVER THE NEXT FEW MONTHS, DANISH POLITICAL LEADERS WILL BE MORE INWARD-LOOKING AND UNUSUALLY PREOCCUPIED WITH THE SUBSTANCE OF DOMESTIC ECONOMIC AND LABOR AFFAIRS. FURTHERMORE, BECAUSE THE GOVERNMENT DEPENDS FOR ITS CONTINUED EXISTENCE ON A SUCCESSION OF CAREFULLY-CONSTRUCTED COMPROMISES WITH A VARIETY OF OTHER PARTIES, AN INORDINATE AMOUNT OF TIME IS TAKEN UP IN TACTICAL INTER-PARTY DISCUSSIONS. IT IS DIFFICULT TO OVEREMPHASIZE THE IMPORTANCE OF THIS FACTOR, AND AS INDICATED ABOVE, IT IS DOUBTFUL WHETHER NEW ELECTIONS WOULD MEASURABLY DIMINISH SUCH DISCUSSIONS.

36. THERE IS LITTLE OR NOTHING THAT THE U.S. CAN DO DIRECTLY TO INFLUENCE THE COURSE OF EVENTS HERE IN THE SHORT TERM ALTHOUGH A  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 COPENH 04909 05 OF 05 301616Z

POLITICAL POLARIZATION IS OBVIOUSLY NOT IN U.S. INTERESTS. THE DANES WILL PREDICTABLY CONTINUE TO PURSUE THEIR TRADITIONAL FOREIGN AND SECURITY POLICIES. BUT MINOR CUTS IN DEFENSE SPENDING OVER THE NEXT COUPLE OF YEARS WILL CERTAINLY OCCUR AND WILL HOPEFULLY BE MORE THAN OFFSET BY INCREASED DEFENSE EXPENDITURES IN LATER YEARS. FURTHERMORE, IT WILL BE DIFFICULT FOR DANISH POLITICAL LEADERS TO FOCUS ON A NEW DEFENSE AGREEMENT OR A NATO AEW SYSTEM.

37. IN SUMMARY, THE DANISH SOCIETY IS GOING THROUGH PROBABLY THE MOST DIFFICULT PERIOD SINCE WORLD WAR II. BASIC ASSUMPTIONS ARE

UNDER SCRUTINY BUT BY VARIOUS INTEREST GROUPS WHICH APPEAR TO BE TALKING PAST EACH OTHER. THE POSSIBILITY EARLY IN 1977 OF A SERIOUS CONFRONTATION BETWEEN THE GOVERNMENT AND ORGANIZED LABOR AND WIDESPREAD STRIKES CANNOT BE DISMISSED. BUT IT IS DIFFICULT TO IMAGINE THAT THE DANES, WHO HAVE DISPLAYED ENORMOUS PAST CREATIVITY IN MAKING MUCH FOR THEMSELVES OUT OF LITTLE MORE THAN THEIR OWN INGENUITY, WILL FAIL TO FIND A WAY OUT OF THEIR PRESENT SERIOUS PROBLEMS.

38. THE EMBASSY IN COPENHAGEN EXTENDS TO ITS PATIENT READERS VERY BEST WISHES FOR A HAPPY NEW YEAR.  
DEAN

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** REPORTS, FOREIGN RELATIONS, POLITICAL SITUATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** coburnhl  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976COPENH04909  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760476-0397  
**From:** COPENHAGEN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t1976124/aaaaadml.tel  
**Line Count:** 613  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION SS  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 12  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** coburnhl  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 05 APR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <05 APR 2004 by ShawDG>; APPROVED <06 AUG 2004 by coburnhl>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DARKNESS IN DENMARK INTRODUCTION CONFIDENTIAL  
**TAGS:** PINT, PFOR, DA, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006